

Application No. 10/031,268  
Reply to Office Action of April 6, 2006

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**REMARKS**

Presently, claims 1-52, 100-111, 126-140, and 146-197 are pending in the application. Claims 53-99, 112-125, and 141-145 have been cancelled. Claims 1, 40, 100-111, and 126 have been amended and new claims 146-197 have been added. Support for the features recited in amended independent claims 1, 40, and 126 may be found, for example, at page 18, line 27 – page 21, line 19 of the specification. Support for the features recited in new independent claim 146 may be found, for example, in canceled claims 53 and 99 and at page 18, line 27 – page 21, line 19 of the specification. Support for the features recited in new dependent claims 147-197 may be found, for example, in canceled claims 54-98 and 112-125. Claim 8 has been amended to correct a formal error noted by Applicants. Accordingly, no new matter has been added to the application by the foregoing amendments.

***Claim Rejections – 35 U.S.C. §102(b)***

The Examiner has rejected claims 1-7, 9-17, 19-26, 38, and 39 under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 5,652,615 to Bryant ("Bryant"). The Examiner contends that Bryant teaches all elements of these claims. Applicants respectfully traverse this rejection.

Bryant discloses a system for broadcasting composite programs to particular audiences. Bryant's system selects and inserts the desired fill segment during distribution of the program. Thus, Bryant teaches a system for inserting fill segments into a broadcast program at the time of program distribution. That is, Bryant's system makes the selection of fill segments while transporting the program to the customer.

For a rejection under 35 U.S.C. §102(b) to be proper, a reference must disclose, either explicitly or inherently, each and every element of the claimed invention. Applicants respectfully submit that Bryant does not disclose each and every element recited in independent claim 1.

Independent claim 1 recites (with emphasis added):

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An advertisement management system for managing insertion of advertisements in program streams, the system comprising:

an avail opportunities module for recognizing one or more avails within the program streams available for advertisements and creating an avail characterization for each avail of the one or more avails;

an ad characterization module that creates an ad characterization for the advertisements;

a correlation module for matching at least one of the advertisements to each of the one or more avails prior to transmitting the program streams to subscribers, wherein the matching is based at least partially on a correlation of the avail characterizations and the ad characterizations;

an ad insertion module for inserting the matched advertisements into the program streams, wherein the bandwidths of the advertisements and the program streams are synchronized during the insertion.

Bryant does not disclose matching advertisements to an avail and inserting the matched advertisements into the avail "prior to transmitting the program stream to a subscriber." Instead, Bryant teaches a system that selects and inserts advertisements during the program distribution. Specifically, Bryant discloses, "During the time of program distribution, the broadcaster or cable operator can insert segments and select segments based on the identification of the segments" (column 5, lines 36-38); and "There are several methods which can be used to mix, e.g., insert and select, program segments 520 and 530 to compose a program as it progresses downstream over the broadcast network 100" (column 6, line 46-53). Additional references to this effect can be found in Bryant at column 4, lines 25-28 and column 8, lines 49-53. In contrast, independent claim 1 recites that advertisements are matched to the avails prior to the transmitting of the program streams. In independent claim 1, the matched advertisements are inserted into the program streams. Since Bryant does not teach or suggest all elements of independent claim 1, independent claim 1 is believed to be allowable. Claims 2-7, 9-17, 19-26, 38, and 39 are allowable at least by their dependency on independent claim 1.

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Reconsideration and withdrawal of the Examiner's rejection of claims 1-7, 9-17, 19-26, 38, and 39 are respectfully requested.

***Claim Rejections – 35 U.S.C. §103(a)***

The Examiner has rejected claims 8, 18, and 27-37 under 35 U.S.C. §103(a) as being unpatentable over Bryant. The Examiner contends that Bryant in combination with common knowledge in the art teaches all elements of these claims. Applicants respectfully traverse this rejection.

For the reasons, discussed above, independent claim 1 is allowable over Bryant. Claims 8, 18, and 27-37 are allowable at least by their dependency on independent claim 1. Reconsideration and withdrawal of the Examiner's rejection of claims 8, 18, and 27-37 are respectfully requested.

The Examiner has taken Official Notice (see page 5 of the Office Action) that "the use of GUI interface to enter data was old in the art." However, Applicants disagree that there are "facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art," as required by M.P.E.P. §2144.03, which would support an Examiner's finding of Official Notice.

To the extent that the Examiner's taking of Official Notice may be applied to any of the new or amended claims, Applicants respectfully traverse the Examiner's taking of Official Notice, and respectfully request that the Examiner support the taking of Official Notice by producing a relevant reference that shows/teaches the use of GUI interface to enter data, and that the Examiner identify a specific teaching in the reference to support a combination with Bryant.

The Examiner has further taken Official Notice (see page 5 of the Office Action) that "multiplying values and then summing the results was well known in the art". However, Applicants disagree that there are "facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art," as

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required by M.P.E.P. §2144.03, which would support an Examiner's finding of Official Notice.

To the extent that the Examiner's taking of Official Notice may be applied to any of the new or amended claims, Applicants respectfully traverse the Examiner's taking of Official Notice, and respectfully request that the Examiner support the taking of Official Notice by producing a relevant reference that shows/teaches using an algorithm to determine a match, and that the Examiner identify a specific teaching in the reference to support a combination with Bryant.

The Examiner has further taken Official Notice (see page 5 of the Office Action) that "technology for protecting subscriber privacy was well known in the art." However, Applicants disagree that there are "facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art," as required by M.P.E.P. §2144.03, which would support an Examiner's finding of Official Notice.

To the extent that the Examiner's taking of Official Notice may be applied to any of the new or amended claims, Applicants respectfully traverse the Examiner's taking of Official Notice, and respectfully request that the Examiner support the taking of Official Notice by producing a relevant reference that shows/teaches technology for protecting subscriber privacy, and that the Examiner identify a specific teaching in the reference to support a combination with Bryant.

The Examiner has further taken Official Notice (see page 6 of the Office Action) that "auctions were old in the art." However, Applicants disagree that there are "facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art," as required by M.P.E.P. §2144.03, which would support an Examiner's finding of Official Notice.

To the extent that the Examiner's taking of Official Notice may be applied to any of the new or amended claims, Applicants respectfully traverse the Examiner's taking of Official Notice, and respectfully request that the Examiner support the taking of Official Notice by producing a relevant reference that shows/teaches "utilizing auction or Internet

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sales", and that the Examiner identify a specific teaching in the reference to support a combination with Bryant.

The Examiner has rejected claims 40-55, and 58-145 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,518,098 to Carles ("Carles") in view of U.S. Patent No. 6,473,903 to Balakrishnan ("Balakrishnan"). The examiner contends that Carles in combination with Balakrishnan teaches all elements of these claims. In particular, the Examiner acknowledges that Carles does not teach or suggest a method of transmission to subscribers, but contends that Balakrishnan teaches this missing element, and concludes that it would have been obvious to combine the teachings of Balakrishnan with those of Carles to result in Applicants' claimed invention. Applicants respectfully traverse this rejection.

Independent claim 40 recites:

An apparatus for inserting advertisements in video streams, the apparatus comprising:

an ad manager for receiving one or more advertisements from one or more sources and for managing the ad insertion process;

a transmitter for transmitting one or more program streams, wherein the program streams include advertisements that are matched to one or more avails and the advertisements are inserted into the programs streams prior to transmitting the program streams to subscribers; and

a multiplexer for multiplexing the program streams and the advertisements prior to transmitting the program streams to subscribers based on insertion instructions received from the ad manager, wherein the bandwidths of the advertisements and the program streams are synchronized during the multiplexing.

As the Examiner admits, Carles does not teach or suggest "transmission to subscribers" (Office Action, page 6). Thus, Carles does not teach or suggest all features of independent claim 40. Balakrishnan alone does also not teach or suggest Applicants' invention, since Balakrishnan's system does not involve matching advertisements to avails. Thus, Balakrishnan does not teach or suggest all features of independent claim 40.

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When making a rejection under 35 U.S.C. § 103, the Examiner has the burden of establishing a *prima facie* case of obviousness. The Examiner can satisfy this burden only by showing an objective teaching in the prior art, or that knowledge generally available to one of ordinary skill in the art, would lead that individual to combine the relevant teachings of the references in the manner suggested by the Examiner. *See In re Fine*, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1998). The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not the applicant's disclosure. *See In re Vaack*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991). The mere fact that the prior art could be modified in the manner proposed by the Examiner, does not make the modification obvious unless the prior art suggests the desirability of the modification. *See Ex Parte Dussaud*, 7 U.S.P.Q.2d 1818, 1820 (Bd.Pat.App & Interf. 1988).

Neither Carles nor Balakrishnan explicitly or inherently contains a suggestion to make such a combination, nor has the Examiner pointed to any such objective teaching. Furthermore, one skilled in the art would not have been motivated to combine Balakrishnan with Carles, as the Examiner suggests. More specifically, Carles discloses a video-on-demand system directed to sending targeted commercials to individually addressable subscriber terminals using a Commercial Message Management Center to "select certain households or groups of households to receive certain commercial messages" (column 3, lines 48-50). In contrast, Balakrishnan discloses an interactive programming system where a plurality of advertisements and one or more program streams are multiplexed and a viewer is presented with a list of advertisements during a commercial break in a program, from which he or she is able to select the advertisement he or she wants to view. Balakrishnan is silent regarding any selection method or grouping of these commercials during the insertion into the program stream. Furthermore, Balakrishnan makes no mention of delivering any type of targeted advertising to a group of households or an individual household. Accordingly, there would be no motivation for one of ordinary skill in the art to look to Balakrishnan to solve a problem not present in Carles, nor to add unnecessary elements not required by Carles.

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Moreover, if a proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. See *In re Ratti*, 270 F.2d 810, 123 U.S.P.Q. 349 (C.C.P.A. 1959); MPEP § 2143.

The system in Balakrishnan is incompatible with that of Carles. Applicants respectfully traverse the Examiner's statement that "Balakrishnan is compatible with Carles, since they both transmit advertisement adapt to a subscriber such the STB may decide on what advertisement is actually viewed" (Office Action, page 7). In neither reference does the STB actually decide what advertisement is actually viewed. In the system of Balakrishnan, the "viewer can use a remote control device ... to select the commercial he/she desires to view" (column 3 line 66 – column 4 line 1). In the system of Carles, the Commercial Message Management Server (CMMS) selects the advertisements that are received by the STB as described above. Thus in Balakrishnan, the user selects the ad to be displayed, while in Carles, the CMMS selects the ad to be displayed. Modifying the Carles with Balakrishnan would alter a fundamental operational principle in Carles, where a specific advertisement is selected for a subscriber based on a high probability that the subscriber will have an interest in viewing that advertisement. In view of the foregoing, Applicants respectfully submit that the combination of Carles and Balakrishnan is improper.

Additionally, the prior art references, when combined, must teach or suggest all of the claim limitations. See MPEP 2143. However, even if one were to combine the teachings of Carles and Balakrishnan, the resulting system would still not teach or suggest a system as claimed by Applicants. Carles and Bakakrishnan are both silent with respect to bandwidth requirements and/or restrictions of the advertisements with respect to the main programming in their respective systems. Accordingly, a combination of Carles and Balakrishnan would still be lacking this feature of independent claim 40.

Since the combination of Carles and Balakrishnan is improper, and/or since such combination does not teach or suggest all elements of Applicants' invention, independent claim 40 is believed to be allowable over the Examiner's combination of Carles and

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Balakrishnan. Dependent claims 41-52, 100-111 are allowable at least by their dependency on independent claim 40.

With respect to independent claim 126, the Examiner has stated that the remarks set forth with respect to claims 40 and 53 apply. Independent claim 126 recites "inserting the selected targeted advertisements into the program streams prior to transmitting the program streams to the subscribers, wherein the bandwidths of the selected advertisements and the program streams are synchronized during the insertion" As discussed above with respect to independent claim 40, the combination of Carles and Balakrishnan is improper. Moreover, any such combination of Carles and Balakrishnan would still not result in Applicants' invention of independent claim 126 as Carles and Balakrishnan are both silent with respect to bandwidth requirements or restrictions of the advertisements with respect to the main programming in their respective systems.. Accordingly, independent claim 126 is believed to be allowable over Carles and Balakrishnan, taken alone or in combination. Dependent claims 127-140 are allowable at least by their dependency on independent claim 126.

New independent claim 146 recites, "inserting the assigned advertisements into each of the one or more avails prior to transmission of the program stream to the subscriber, wherein the bandwidths of the advertisement and the program stream are synchronized during the inserting." For the same reasons discussed above with respect to independent claims 40 and 126, Applicants respectfully submit that Carles and Balakrishnan do not teach or suggest the features of independent claim 146, either individually or in combination. Accordingly, independent claim 146 is believed to be allowable over the combination of Carles and Balakrishnan. Similarly, for the same reasons discussed above with respect to independent claim 1, Applicants respectfully submit that Bryant does not teach or suggest the features of independent claim 146. Accordingly, independent claim 146 is believed to be allowable over the Bryant. Dependent claims 147 – 197 are allowable at least by their dependency on independent claim 146.



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Claims 53 – 55, 58 – 99, 112 – 125, and 141 – 145 have been cancelled.

Reconsideration and withdrawal of the Examiner's rejection of claims 40 – 52, 100 – 111, 126 – 140, and 146 – 197 is respectfully requested.

*Conclusion*

In view of the foregoing remarks, Applicants respectfully submit that the Examiner's rejections have been overcome, and that the application, including claims 1-52, 100-111, 126-140, and 146-197, is in condition for allowance. Reconsideration and withdrawal of the Examiner's rejections and an early Notice of Allowance are respectfully requested.

Respectfully submitted,

Date: 9/6/06

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